

**New Jersey  
Association of  
Health Underwriters**

390 Amwell Road, Suite 403  
Hillsborough, NJ 08844



# NJAHU News

www.njahu.org

Summer 2009

## Quick facts about Health Care Modernization

- About 160 million Americans currently receive health coverage through their employer, and a strong majority of Americans with health benefits are happy with their personal care and coverage.
- 17 percent of the population has limited or no access to health care.
- Health care is now 18% of the U.S. economy — that's more than 6 percentage points higher than most other industrialized countries.
- The cause for the steady rise in health insurance costs is the steady rise in the cost of health care as a result of new medical technologies. Such expensive but important breakthroughs have increased American's life expectancy to 77.6 years on average.
- A recent survey found that people who purchased health insurance through a professional agent were significantly more satisfied with their health plans than those who bought their insurance online.

## Before a Vote, ObamaCare Must Learn from Massachusetts

Before adopting some sort of health care reform in Washington this fall, Congress must study what is happening in Massachusetts. The commonwealth's 2006 program of universal health coverage is similar to what some lawmakers are considering for the nation.

If the results of what is happening in Massachusetts were well-publicized, the President and his supporters could have an even steeper climb to consensus.

The Massachusetts law, supported by former Republican Gov. Mitt Romney, requires nearly all residents to be insured or face a penalty. The law was designed to ensure everyone had health insurance and to ultimately save money.

For 15 years, Massachusetts has also imposed mandates known as guaranteed issue and community rating, which requires insurers to cover anyone who applies, even if they have a pre-existing condition, and to charge everyone relatively similar premiums.

Yet these mandates allow people to wait until they're sick, or just before they're about to incur major medical expenses, to buy insurance. This drives up costs for everyone else, which helps explain why small-group coverage in Massachusetts is so much more expensive than in most of the country.

Romney argued, as some on Capitol Hill are arguing now, that the individual mandate would make that problem disappear, because everyone is always supposed to be covered.

A useful case study comes from the community-based health plan Harvard-Pilgrim, which has seen a substantial number of people buying cov-

erage for a few months at a time, running up high medical bills, and then dropping the policy after the insurance company pays the bills.

Harvard-Pilgrim estimates that between April 2008 and March 2009, about 40 percent of its new enrollees stuck around for fewer than five months and on average incurred about \$2,400 per person in monthly medical expenses. That's about 600 percent higher than Harvard-Pilgrim would have otherwise expected.



President Obama, with Vice President Joseph R. Biden Jr. and Treasury Secretary Timothy F. Geithner

The individual mandate penalty for not having coverage is only about \$900; people are gaming the Massachusetts system. This raises premiums for those purchasing twelve months of health insurance, destroying the notion of uniform affordability.

As we are all in the insurance business, we know that insurance pools require the younger and healthier to subsidize the older and sicker, though part of the risk-sharing bargain is the gamble against unanticipated or future health problems.

No doubt our politicians will conclude that the

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*simply, nicer*

*ahhh*



## ObamaCare Must Learn from Massachusetts

*Continued from page 1*

solution is to raise the penalty for going uninsured, though it would be easier and more rational to let insurance markets function without mandates.

For some on Capitol Hill, none of this is really important. They are focused on transferring the costs of health care away from individuals and onto insurance companies in the short-term and, ultimately, taxpayers.

Call this "true health reform," if you will. Whatever the case, legislation is rumbling toward a vote in Washington this fall – warts and all. NJAHU will closely follow the developments.

*Source: Wall Street Journal, New York Times*

## President's Message

The next few months will likely go down in the history of our association as one of our most challenging times.

Every day, there is news coverage from Washington about a sweeping health reform plan, dubbed "ObamaCare," which, if adopted, would have a drastic affect on our industry and our lives.

In the recent months, NJAHU has joined in the fight to educate taxpayers and health care consumers about the pitfalls of a proposed public health care system, which would compete directly with the private insurance market in all 50 states.

I am pleased that many NJAHU members have taken up the cause, writing letters to the editor in their local newspapers and meeting with our elected leaders on the state and national levels. This fall, we must step up the effort and work with our national organization to ensure that our concerns are heard at the bargaining table in Washington.

I commend the many members of this fine organization who have understood the need to speak up and demand that decision makers recognize the value of the broker. I urge all of us to look for opportunities to spread the word about

the pitfalls of public health insurance. Tell your clients, your friends, your neighbors, the media and lawmakers that we must fix the current health care system, not put another expensive layer over it.

What I have learned as a health insurance broker is that unequal competition does not work in this industry. Innovation and quality drive success. Over time, having a public plan square off against private insurance will lead to limited selection and further America's health care crisis.

This fall, please give your time and effort to advocate for healthcare reform that does not include a public plan, which would cost taxpayers billions of dollars, jeopardize the top-notch healthcare that Americans are accustomed to and put our livelihoods at risk.

Thank you for your commitment to NJAHU. I look forward to working with you this fall, as we fight for our clients, our families and this industry.

David Oscar – President, NJAHU



David Mordo

## News from the LMT

By David Mordo

More than 30 members of NJAHU attended the "Fly-In" on July 14 and 15 in Washington to meet with their elected representatives and legislative aides to discuss the Healthcare Reform bill.

On behalf of the entire LMT, I was pleased that members of all five New Jersey chapters were willing to pull away from their busy schedules and travel to Washington to fight for the industry.

I urge all NJAHU members to look for opportunities to make contact with the New Jersey congressional delegation, whether by phone call, email, traditional letter or, if at all possible, a face-to-face meeting. We need to ensure the association's concerns remain part of the debate, as Congress advances toward an ultimate vote this fall.

### Fundraisers

We still are actively attending fundraisers for our state legislators. As we get word about an upcoming event, we will distribute the information in case one of our members can attend. HIA-PAC will pay the contribution.

We are re-energizing our fundraising efforts through a mail campaign and word of mouth. Our HIAPAC sub-committee is working hard to keep raising money for us to distribute.

Anticipate a very busy fall for the LMT. We are always looking for new people to become involved. We now live in one of the most interesting times in the history of health care. Now is the time to make your mark. Join the fight!

### 2009-2010 LMT Sub-committees

#### HIAPAC/HUPAC

Brad Greenbaum  
Theresa Semple

Desmond Slattery  
Nicole Gunia

#### CAPITOL CONFERENCE

Dave Mordo  
Tom Siino

Bob Wanamaker  
Wendy Ebner

#### COALITIONS

Eileen Shrem

Frank Ruggiero

#### WHITE PAPERS/POSITION PAPERS

Joan Fusco  
Claire Waxman

Jack Kalosy  
Carl DeRiso

#### ADOPT A LEGISLATOR/FUNDRAISERS

Marilyn Stenger  
Jon Sharp

Gene Koster  
Lynda Feder

#### MEETINGS/TESTIMONY

Doug Lubenow  
Jim Stenger

Steve Honig  
Joseph Torella

# Chapter News

## Central Chapter

**Sandy Gibson** of AmeriHealth, the new president for the Central Jersey chapter, reports that an exciting year of events are planned.

Here is the CJAHU 2009–2010 Meeting Schedule:

**September 17:** **Joan Fusco** will conduct a COBRA CE Course, while **Dave Mordo** (State Legislative Chair) will give a legislative update.

**October 8:** **Adam Brackemyre** (Director of State Affairs, Region 1 & 2, from National NAHU) will be the featured speaker and provide a legislative update of healthcare on the national and local levels. This meeting is tentatively scheduled to be held at the Hilton Garden Inn, Raritan. More details to come.

**November 12:** A panel of medical carriers will discuss new products and technology.

**December 10:** Great West/Cigna will discuss self funding options for groups under 200 lives. If NAHU members bring a toy to this meeting, admission is free. If non-members bring a toy, they will receive a \$10 discount.

**January 14:** **Brian Kroll** of the Champion Group will discuss growing trends in medical tourism.

**February 11:** **Joanne Petto** will facilitate a living will seminar.

**March 11:** **Michael Petrone** will conduct a Partnership LTC CE Course.

**April 8:** **Steve Honig** and **Joe Torella** will facilitate a Using CDH to your Client's Advantage CE course about consumerism.

**June 10:** **Michael Castrillon** will conduct a Worksite Marketing; Voluntary Benefits for Today's Broker CE Course. Installation of officers will also be held.

CJAHU Meetings are held the 2nd Thursday of each month at the Omega Diner, 1337 US Highway 1, New Brunswick, NJ 08902 (732) 745-2628. Registration starts

at 8:30 a.m. and the meeting promptly begins at 9 a.m. Meeting RSVP to **George Poppe** at [www.gfpoppe@aol.com](mailto:www.gfpoppe@aol.com)

## Monmouth-Ocean Chapter

The Monmouth Ocean Chapter held its annual golf outing at Eagle Ridge in Lakewood, NJ on July 13th. Chapter President **Matt Roy** reports a very successful event with a great response from sponsors and members alike. Approximately 90 golfers came out to play and enjoy the beautiful weather.

Just under 100 people attended the annual Tiki Bar event at Point Pleasant Beach on Thursday, July 31. The gathering was well attended and everyone felt it was a great way to greet the last month of summer.

The Monmouth-Ocean Chapter is looking forward to a great fall and is already planning the Holiday Party for December or early January. The chapter still has spots open on the board and is looking for a few good people to help out and fill them. Please contact Matt Roy at 609-584-8112 x14 or at [mattroy@savoyassociates.com](mailto:mattroy@savoyassociates.com) if you're interested.

## Northern Chapter

40 members and guests of the North Chapter enjoyed a minor league baseball game as the New Jersey Jackals took on the Sussex Skyhawks on July 9, reports North Chapter president **Michael Ciardella**. The July chapter meeting was held on the 21st with an informative CE course by **Frank Ruggiero**. No chapter meeting is scheduled for August. The next North Chapter meeting will take place on September 15.

On September 23, the Northern NJAHU 15th Annual Charity Golf Classic will be held at the beautiful Farmstead Golf and Country Club in Lafayette, NJ to benefit the Human Needs Food Pantry in Montclair. For more information or a registration form please contact **Dan Diaz** at 908-273-2422 ext 556 or at [Ddiaz@otterstedt.com](mailto:Ddiaz@otterstedt.com).

The North Chapter also plans to have a CE during their chapter meeting on October 20, while the November chapter meeting will probably be an ancillary carrier panel.

## Northwest Chapter

The Northwest Chapter will hold a CE course on September 15 at a location to be determined reports chapter president **Marilyn Stenger**. The course, GMRP, presented by First Rehab Life, will focus on Group Medical Reimbursement Policies.

On October 13, the Northwest Chapter will hold a New Member Cocktail Reception at a location to be determined and another CE Course will be held on November 10.

## South Chapter

The South Chapter held its first-annual summer bash on August 13 at the Tuckahoe Inn reported South Chapter President **Wendy Ebner**. It was a great opportunity for members to get together and blow off some steam.

The South Chapter has a full plate of activities scheduled for the upcoming year. The Schedule is:

- September 22:** Kickoff breakfast
- October 27:** Medicare supplement meeting
- November 17:** Breakfast meeting at the Shore Diner, likely a CE
- December 3:** The annual holiday party
- January 26:** Luncheon and CE class at the CBDI office in Mt. Laurel
- February 23:** The second Shore Diner breakfast
- March 23:** Breakfast meeting
- April 27:** Lunch meeting
- June 22:** New officer induction and breakfast

*See you there!*

## NJAHU in the News

NJAHU has had a busy summer in the New Jersey news, as many members have voiced their concerns about impending health care reform in Washington. For the latest news coverage, generated by NJAHU members, go to: [http://njahu.org/press\\_room.html](http://njahu.org/press_room.html)

If you would like to join in the media relations effort, please contact **Jaffe Communications** at 908-789-0700.

## Happenings

Register now for the Northern New Jersey Association of Health Underwriters Golf Outing, scheduled for Wednesday, Sept. 23 at the Farmstead Golf & Country Club in Lafayette.

The Shotgun Scramble is scheduled for 1:15 p.m. Proceeds from the golf outing will be used to support the "Human Needs Food Pantry" in Montclair.



**NJAHU News is now accepting advertising for its Fall 2009 issue.**

**For details call (908) 789-0700.**

## Mid-year Review of NAHU Accomplishments

### On Capitol Hill

- 138 visits to Capitol Hill and federal agencies on NAHU's health issues.
- 1 visit to the White House.
- 50 fundraisers on behalf of HUPAC.
- 55 briefings from inside-the-beltway groups.
- 46 hearings and 55 coalition meetings.



*Jim Stenger of the Northwest chapter (left) served on a panel with Rep. Frank Pallone as part of a Town Hall forum co-sponsored by the NJAHU on Aug. 19 in Paramus. The event, organized through the Meadowlands Chamber of Commerce, focused on national health care reform. Stenger spoke about how the proposed federal plan would impact small business in New Jersey.*

## NAHU In the National Media

- Was featured 728 times in the mainstream media, with 335 million people reading those publications, listening to the radio spots or viewing the television spots where we were featured.
- Issued 14 press releases and media advisories at the national level
- Developed 18 letters to the editor and four op-eds on issues such as a public plan option, health care costs and the value of the agent.
- Trained hundreds of NAHU members through a "Working with the Media" webinar and at Capitol Conference and Annual Convention.
- Placed ads in Politico, Broker World, Agent's Sales Journal and Employee Benefits Advisor.
- Published the new guide "Brokers Making a Difference—Real Life Testimonials" as well as a new NAHU marketing brochure.
- Launched [www.BrokersMakingaDifference.com](http://www.BrokersMakingaDifference.com) to share stories of how health insurance professionals help individuals, families and businesses find the health care coverage.
- Updated the single-payer video "Truth or Consequences—the Beth Ashmore Chronicle."

## Save the Date

**Atlantic Regional Life and Health Underwriters Annual Sales Conference & Exhibition**

**May 10-12, 2010**

Tropicana Casino and Resort  
Atlantic City, New Jersey

### Your membership card

is being printed and will be mailed to you in the upcoming weeks. Included with the card is a list of the many programs and services that are available to you exclusively as part of your NJAHU membership.

## Go Online for CE Training

The NJAHU, in partnership with RegEd, now offers Insurance Continuing Education online. Members can purchase advanced courses and receive a free certificate of completion.

This is a great professional resource for education, information and advocacy. There is a comprehensive course library of more than 150 continuing education courses that covers the industry's hot topics and important regulatory issues. Go to [www.njahu.org](http://www.njahu.org) for more information.